

EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE – 19 APRIL 2017

REPORT BY HEAD OF HUMAN RESOURCES AND
ORGANISATIONAL DEVELOPMENT

PAY POLICY STATEMENT 2017/18

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

Members are invited to recommend to Council approval of the Pay Policy Statement 2017/18 and pay scale points for Directors.

RECOMMENDATIONS FOR HUMAN RESOURCES COMMITTEE:

That:

(A)	the Pay Policy Statement 2017/18 be recommended for approval to Council; and
(B)	the pay scale points for Directors be recommended for approval to Council

Background

- 1.1 A Pay Policy Statement is required to be produced annually under sections 38 to 43 of the Localism Act 2011. Regard is to be had to guidance section 40 from the Secretary of State in producing this statement.
- 1.2 A Pay Policy Statement for a financial year must set out the Authority's policies for the financial year relating to:
 - the remuneration of chief officers
 - the remuneration of the lowest paid employees
 - the relationship between chief officers remuneration and that of other officers
- 1.3 The statement must include the authority's policies relating to:

- a) the level and elements of remuneration for each chief officer
- b) remuneration of chief officers on recruitment
- c) increases and additions to remuneration for each chief officer
- d) the use of performance related pay for chief officers
- e) the use of bonuses for chief officers
- f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
- g) the publication of and access to information relating to remuneration of chief officers.

1.4 The term 'remuneration' covers:

- a) the chief officers salary or, in the case of chief officers engaged by the authority under a contract for services
- b) payments made by the authority to the chief officers for those services
- c) any bonuses payable by the authority to the chief officers
- d) any charges, fees or allowances payable by the authority to the chief officers
- e) any benefits in kind to which the chief officers are entitled as a result of the chief officer's office or employment
- f) any increase in or enhancement of the chief officer's pension entitlement where the increase or enhancement is as a result of a resolution of the authority, and
- g) any amounts payable by the authority to the chief officers on the chief officers ceasing to hold office under or be employed by the authority, other than amounts that may be payable by virtue of any enactment.

1.5 A pay policy statement for a financial year may also set the Authority's policies for the financial year relating to the other terms and conditions applying to the authority's chief officers.

1.6 The Secretary of State published 'The Code of Recommended Practice for Local Authorities on Data Transparency' on 29 September 2011. The Code enshrines the principles of transparency and asks councils to follow three principles when publishing data they hold; responding to public demand; releasing data in open formats available for re-use; and, releasing data in a timely way. This includes data on senior salaries and the structure of their workforce. The pay policy statement has been written using these principles.

1.7 The Department for Communities and Local Government published 'Openness and Accountability in Local pay: Guidance under Section 40 of the Localism Act 2011' in February 2013. The pay policy statement has been written taking into consideration this guidance.

1.8 The Pay Policy statement has been written to support the requirements under the Local Government Transparency Code 2014 to publish data on Senior Salaries and Pay Multiple.

1.9 Local Joint Panel and the HR Committee approved the Leadership performance related pay scheme and 360 performance review process on 18 January 2017.

2.0 Report

2.1 Pay Policy Statement 2017/18 (Essential Reference Paper B).

2.2 To support the approved Leadership team performance related pay scheme; scale points within the approved pay range of £75,750 to £90,658 have been developed for Directors (inclusive of 1% pay award for 2017). This will allow directors to move up or down the pay range dependant on performance in accordance with the approved performance related pay scheme for Directors and Heads of Service.

2.3 The scale points are based on an average differential of 2.6% between each scale point which is consistent with the current scale point differentials for other grades.

2.4 The directors pay band proposed is:

SCP	Basic salary
70	75750
71	77720
72	79740
73	81810
74	83941
75	86123
76	88360
77	90658

2.5 The scale points would be increased in accordance with future JNC Chief Officers pay awards. The scale points proposed in 2.4 include the April 2017 pay award.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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